GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA

UNSTARRED QUESTION NO:2291
ANSWERED ON:03.08.2015
Freight Corridor Project
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Will the Minister of RAILWAYS be pleased to state:

(a) whether the Railways have received loan from World Bank for the ambitious Dedicated Freight Corridor (DFC) project;

(b) if so, the details thereof including the quantum of loan sanctioned by World Bank, Zone-wise and the terms and conditions therein;

(c) the expected revenue to be generated after completion of the project; and

(d) the current status of the project and the steps taken/being taken by the Railways for timely completion of the said project?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS

(SHRI MANOJ SINHA)

(a) & (b): Ludhiana −Mughalsarai Section (1192 km) of Eastern Dedicated Freight Corridor (Ludhiana-Dankuni -1856 km) is being part financed from World Bank. The commitment for World Bank loan is for US $ 2.725 billion. Two loan agreements for US $ 975 million and US $ 1100 million covering Dadri-Khurja- Kanpur(389 km) and Kanpur-Mughalsarai(402 km) respectively
have been signed. For the remaining 401 km, Khurja-Saharanpur-Ludhiana Section, World Bank has recently approved a loan of US $ 650 million. The
World Bank loan is to be repaid in 22 years including a 7 year moratorium and interest rate is six month LIBOR + Variable spread (presently 0.73%).

(c): As per the Concession Agreement signed between Dedicated Freight Corridor Corporation of India Ltd.(DFCCIL) and Ministry of Railways, Track Access Charges shall be paid to DFCCIL by Ministry of Railways and as per the Business Plan of DFCCIL the expected revenue of DFC Project is ` 10,797 crore in the year 2022-23 after the completion of the Project.

(d): For Eastern and Western DFCs, land acquisition award of 20 F (Compensation Award) under Railway Amendment Act 2008, for 85% of land has been completed. Civil Construction Contracts of over 1840 km and Systems Contracts of 1370 km have been awarded. Overall physical progress of civil works in Khurja-Kanpur, Mughalsarai-Sonnagar Section of Eastern DFC and in Rewari-Iqbalgarh Section of Western DFC is 20%. Project implementation schedule, timelines have been drawn up and are being monitored on regular basis.
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